



General Assembly

January Session, 2007

***Raised Bill No. 1151***

LCO No. 3972

\* \_\_\_\_\_SB01151BA\_JUD030607\_\_\_\_\_\*

Referred to Committee on Banks

Introduced by:  
(BA )

***AN ACT CONCERNING ALIAS TAX WARRANTS AND SERVICE OF  
PROCESS.***

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1       Section 1. Section 12-162 of the general statutes is repealed and the  
2       following is substituted in lieu thereof (*Effective October 1, 2007*):

3       (a) Any collector of taxes, in the execution of tax warrants, shall  
4       have the same authority as state marshals have in executing the duties  
5       of their office, and any constable or other officer authorized to serve  
6       any civil process may serve a warrant for the collection of any tax  
7       assessed, and the officer shall have the same authority as the collector  
8       concerning taxes committed to such officer for collection.

9       (b) Upon the nonpayment of any property tax when due, demand  
10      having been made therefor as prescribed by law for the collection of  
11      such tax, an alias tax warrant may be issued by the tax collector, which  
12      may be in the following form:

13      "To a state marshal of the County of ...., or any constable of the  
14      Town of .... Greeting: By authority of the state of Connecticut you are

15 hereby commanded to collect forthwith from .... of .... the sum of ...  
 16 dollars, the same being the amount of a tax with interest or penalty  
 17 and charges which have accumulated thereon, which tax was levied by  
 18 (insert name of town, city or municipality laying the tax) upon (insert  
 19 the real estate, personal property, or both, as the case may be,) of said  
 20 .... as of the .... day of ..... (In like manner insert the amount of any other  
 21 property tax which may have been levied in any other year, including  
 22 interest or penalty and charges which have accumulated thereon). In  
 23 default of payment of said amount you are hereby commanded to levy  
 24 for said tax or taxes, including interest, penalty and charges,  
 25 hereinafter referred to as the amount due on such execution, upon any  
 26 goods and chattels of such person and dispose of the same as the law  
 27 directs, notwithstanding the provisions of subsection (j) of section 52-  
 28 352b, and, after having satisfied the amount due on such execution,  
 29 return the surplus, if any, to him; or you are to levy upon the real  
 30 estate of such person and sell such real property pursuant to the  
 31 provisions of section 12-157, to pay the amount due on such execution;  
 32 or you shall, in accordance with subsection (f) of section 12-162, make  
 33 demand upon the main office of any banking institution indebted to  
 34 such person, subject to the provisions of section 52-367a or 52-367b, as  
 35 if judgment for the amount due on such execution had been entered,  
 36 for that portion of any type of deposit to the credit of or property held  
 37 for such person, not exceeding in total value the amount due on such  
 38 execution; or you are to garnishee the wages due such person from any  
 39 employer, in the same manner as if a wage execution therefor had been  
 40 entered, in accordance with section 52-361a.

41 Dated at .... this .... day of .... A.D. 20.., Tax Collector."

42 (c) Any officer serving an alias tax warrant pursuant to this section  
 43 shall make return to the collector of such officer's actions thereon  
 44 within ten days of the completion of such service and shall be entitled  
 45 to collect from such person the fees allowed by law for serving  
 46 executions issued by any court. Any state marshal or constable,  
 47 authorized as provided in this section, who executes such warrant and

48 collects any delinquent municipal taxes as a result thereof shall receive,  
 49 in addition to expenses otherwise allowed, a percentage of the taxes  
 50 collected pursuant to such warrant, calculated at the rate applicable for  
 51 the levy of an execution as provided in section 52-261. The minimum  
 52 fee for such service shall be thirty dollars. Any officer unable to serve  
 53 such warrant shall, within sixty days after the date of issuance, return  
 54 such warrant to the collector and in writing state the reason it was not  
 55 served.

56 (d) A financial institution shall be paid a processing fee of eight  
 57 dollars for each warrant served upon the financial institution, which  
 58 fee shall be tendered to the financial institution by the collector of taxes  
 59 or the officer serving the warrant at the time of service and may be  
 60 included within the warrant as a charge recoverable from the taxpayer  
 61 by the municipality.

62  
 63 (e) With regard to warrants served upon financial institutions, a  
 64 collector of taxes or officer shall not serve more than one alias tax  
 65 warrant per taxpayer at a time, including copies thereof, and after  
 66 service on one financial institution, shall not serve the same alias tax  
 67 warrant or copy thereof upon another financial institution until having  
 68 received confirmation from the preceding financial institution that the  
 69 taxpayer had no funds at the preceding financial institution available  
 70 for collection. In the event that an alias tax warrant is returned by a  
 71 financial institution to the collector of taxes or officer partially satisfied,  
 72 such collector or officer shall not serve the alias tax warrant or copy  
 73 thereof on another financial institution, but such collector instead may  
 74 issue a replacement alias tax warrant seeking to collect the balance  
 75 due.

76 (f) With regard to warrants served on financial institutions, in order  
 77 to ensure that the number of warrants served do not exceed the  
 78 reasonable processing capabilities of the financial institution being  
 79 served, whenever a collector of taxes expects to serve, or have an  
 80 officer serve, on a particular financial institution, more than one

81 warrant on the same day, such collector or officer shall submit to the  
 82 financial institution, in writing and in advance of the service, a notice  
 83 that complies with subsection (g) of this section. Such notice shall state  
 84 the number of warrants the collector desires to serve on the financial  
 85 institution and the date or dates on which the warrants will be ready  
 86 for service. Upon receipt of the notice, the financial institution shall, by  
 87 the next business day, mail or otherwise deliver a written response to  
 88 the collector or officer. Such response shall designate a reasonable  
 89 schedule pursuant to which the collector, or officer serving on behalf of  
 90 the town, may serve the warrants. When determining what is a  
 91 reasonable schedule, the financial institution shall endeavor, within its  
 92 normal processing capabilities, to set a schedule that would satisfy the  
 93 town's need for reasonably prompt completion, if such need is  
 94 expressed in the written notice, provided, the financial institution is  
 95 permitted to take into account, among other things (1) the number of  
 96 warrants proposed to be served, (2) the normal processing capabilities  
 97 of the particular institution, including human resource scheduling, (3)  
 98 the volume of service being processed or reasonably expected to be  
 99 processed, on behalf of others, including warrants from other towns  
 100 and further including the service by others of subpoenas, executions,  
 101 garnishments, levies and other forms of process, and (4) any statutory  
 102 or common law deadlines to which the financial institution shall  
 103 adhere. Upon receipt of the response, the collector or officer serving on  
 104 behalf of the town may proceed to serve the warrants on the financial  
 105 institution, provided the service complies with the schedule set forth in  
 106 the response.

107 (g) The notice prescribed in subsection (f) of this section shall be in  
 108 writing and shall be (1) mailed or delivered to the main office of any  
 109 financial institution having its main office within this state, (2) mailed  
 110 or delivered to a branch office of any financial institution which does  
 111 not have its main office in this state, provided the branch has been  
 112 designated by the financial institution for such purposes in accordance  
 113 with regulations adopted by the Banking Commissioner, in accordance  
 114 with chapter 54, or (3) transmitted by facsimile, email or other

115 electronic communication, provided the town has received written  
 116 instructions from the financial institution expressly authorizing such  
 117 method of communication and specifying the required format and any  
 118 limitations and conditions concerning such communications and  
 119 further specifying the applicable facsimile number, email address or  
 120 other identifying address information. The notice shall also state the  
 121 address to which the response may be mailed or delivered.

122       Sec. 2. Section 52-367a of the general statutes is repealed and the  
 123 following is substituted in lieu thereof (*Effective October 1, 2007*):

124       (a) As used in this section and section 52-367b, "financial institution"  
 125 means any bank, savings bank, savings and loan association or credit  
 126 union organized, chartered or licensed under the laws of this state or  
 127 the United States and having its main office in this state, or any similar  
 128 out-of-state institution having a branch office in this state.

129       (b) Execution may be granted pursuant to this section against any  
 130 debts due from any financial institution to a judgment debtor which is  
 131 not a natural person. If execution is desired against any such debt, the  
 132 plaintiff requesting the execution shall make application to the clerk of  
 133 the court. The application shall be accompanied by a fee of thirty-five  
 134 dollars payable to the clerk of the court for the administrative costs of  
 135 complying with the provisions of this section which fee may be  
 136 recoverable by the judgment creditor as a taxable cost of the action.  
 137 The clerk shall issue such execution containing a direction that the  
 138 officer serving such execution shall make demand (1) upon the main  
 139 office of any financial institution having its main office within the  
 140 county of the serving officer, or (2) if such main office is not within the  
 141 serving officer's county and such financial institution has one or more  
 142 branch offices within such county, upon an employee of such a branch  
 143 office, such employee and branch office having been designated by the  
 144 financial institution in accordance with regulations adopted by the  
 145 Banking Commissioner, in accordance with chapter 54, for the  
 146 payment of any debt due to the judgment debtor, and, after having  
 147 made such demand, shall serve a true and attested copy thereof, with

148 the serving officer's actions thereon endorsed, with the financial  
 149 institution officer upon whom such demand is made. The serving  
 150 officer shall not serve more than one financial institution execution per  
 151 judgment debtor at a time, including copies thereof. After service of an  
 152 execution on one financial institution, the serving officer shall not  
 153 serve the same execution or a copy thereof on another financial  
 154 institution until after receiving confirmation from the preceding  
 155 financial institution that the judgment debtor had insufficient funds at  
 156 the preceding financial institution available for collection to satisfy the  
 157 execution.

158 (c) If any such financial institution upon which such execution is  
 159 served and upon which such demand is made is indebted to the  
 160 judgment debtor, the financial institution shall remove from the  
 161 judgment debtor's account the amount of such indebtedness not  
 162 exceeding the amount due on such execution. Except as provided in  
 163 subsection (d) of this section, the financial institution shall  
 164 immediately pay to such serving officer the amount removed from the  
 165 judgment debtor's account, which amount shall be received and  
 166 applied on such execution by such serving officer. Such financial  
 167 institution shall act upon such execution according to section 42a-4-303  
 168 before its midnight deadline, as defined in section 42a-4-104. Nothing  
 169 in this subsection shall be construed to affect any other rights or  
 170 obligations of the financial institution with regard to funds in the  
 171 judgment debtor's account.

172 (d) If the deposit account is subject to a security interest of a secured  
 173 party, other than the financial institution upon which such execution is  
 174 served and upon which such demand is made, pursuant to a control  
 175 agreement between the financial institution and such secured party  
 176 under article 9 of title 42a, and if any funds are removed from the  
 177 judgment debtor's account pursuant to subsection (c) of this section,  
 178 the financial institution shall forthwith mail a copy of the execution  
 179 when received from the serving officer, postage prepaid, to the  
 180 judgment debtor and to such other secured party at the last known

181 address of such parties with respect to the affected accounts on the  
182 records of the financial institution. The financial institution shall hold  
183 the amount removed from the judgment debtor's account pursuant to  
184 subsection (c) of this section for twenty days from the date of the  
185 mailing to the judgment debtor and such other secured party, and  
186 during such period shall not pay the serving officer.

187 (e) To prevent the financial institution from paying the serving  
188 officer, as provided in subsection (h) of this section, such other secured  
189 party shall give notice of its prior perfected security interest in such  
190 deposit account, by delivering to the clerk of the court that issued the  
191 execution a written claim for determination of interests in property  
192 pursuant to section 52-356c and by delivering a copy of such claim to  
193 the financial institution upon which such execution is served.

194 (f) Upon receipt of a written claim for determination of interests in  
195 property made pursuant to subsection (e) of this section, the clerk of  
196 the court shall enter the appearance of the secured party with the  
197 address set forth in the written claim. The clerk shall forthwith send  
198 file-stamped copies of the written claim to the judgment creditor, the  
199 judgment debtor and the financial institution upon which such  
200 execution was served with a notice stating that the disputed funds are  
201 being held until a court order is entered regarding the disposition of  
202 the funds.

203 (g) If a written claim for determination of interests in property is  
204 made pursuant to subsection (e) of this section, the financial institution  
205 shall continue to hold the amount removed from the judgment debtor's  
206 account until a court order is received regarding disposition of the  
207 funds.

208 (h) If no written claim for determination of interests in property is  
209 made pursuant to subsection (e) of this section, the financial institution  
210 shall, upon demand, forthwith pay the serving officer the amount  
211 removed from the judgment debtor's account, and the serving officer  
212 shall thereupon pay such sum, less such serving officer's fees, to the

213 judgment creditor, except to the extent otherwise ordered by a court.

214 (i) If a written claim for determination of interests in property is  
215 made pursuant to subsection (e) of this section, the clerk of the court,  
216 after a judgment or order is entered pursuant to section 52-356c, shall  
217 forthwith send a copy of such judgment or order to the financial  
218 institution. Such judgment or order shall be deemed to be a final  
219 judgment for the purposes of appeal. No appeal shall be taken except  
220 within seven days of the rendering of the judgment or order. The  
221 judgment or order of the court may be implemented during such  
222 seven-day period, unless stayed by the court.

223 (j) If records or testimony are subpoenaed from a financial  
224 institution in connection with a hearing conducted pursuant to section  
225 52-356c on a written claim for determination of interests in property  
226 made pursuant to subsection (e) of this section, the reasonable costs  
227 and expenses of the financial institution in complying with the  
228 subpoena shall be recoverable by the financial institution from the  
229 party requiring such records or testimony, provided the financial  
230 institution shall be under no obligation to attempt to obtain records or  
231 documentation relating to the account executed against that are held  
232 by any other financial institution. The records of a financial institution  
233 as to the dates and amounts of deposits into an account in the financial  
234 institution shall, if certified as true and accurate by an officer of the  
235 financial institution, be admissible as evidence without the presence of  
236 the officer in any hearing conducted pursuant to section 52-356c to  
237 determine the legitimacy of a claim of an interest in property made  
238 under subsection (e) of this section.

239 (k) If such financial institution fails or refuses to pay over to such  
240 serving officer the amount of such debt, not exceeding the amount due  
241 on such execution, such financial institution shall be liable in an action  
242 therefor to the judgment creditor named in such execution, and the  
243 amount so recovered by such judgment creditor shall be applied  
244 toward the payment of the amount due on such execution.



245 (l) Except as provided in subsection (k) of this section, no financial  
246 institution or any officer, director or employee of such financial  
247 institution shall be liable to any person with respect to any act done or  
248 omitted in good faith or through the commission of a bona fide error  
249 that occurred despite reasonable procedures maintained by the  
250 financial institution to prevent such errors in complying with the  
251 provisions of this section.

252 (m) The financial institution shall receive from the serving officer as  
253 representative of the judgment creditor a fee of eight dollars for the  
254 financial institution's costs in complying with the provisions of this  
255 section which fee (1) may be recoverable by the judgment creditor as a  
256 taxable cost of the action, and (2) shall be tendered to the financial  
257 institution at the time of service.

258 [(m)] (n) Nothing in this section shall in any way restrict the rights  
259 and remedies otherwise available to a judgment debtor or to any such  
260 secured party at law or in equity.

261 Sec. 3. Section 52-367b of the general statutes is repealed and the  
262 following is substituted in lieu thereof (*Effective October 1, 2007*):

263 (a) Execution may be granted pursuant to this section against any  
264 debts due from any financial institution to a judgment debtor who is a  
265 natural person, except to the extent such debts are protected from  
266 execution by sections 52-352a, 52-352b, 52-352c of the general statutes,  
267 revision of 1958, revised to 1983, 52-354 of the general statutes, revision  
268 of 1958, revised to 1983, 52-361 of the general statutes, revision of 1958,  
269 revised to 1983 and section 52-361a, as well as by any other laws or  
270 regulations of this state or of the United States which exempt such  
271 debts from execution.

272 (b) If execution is desired against any such debt, the plaintiff  
273 requesting the execution shall make application to the clerk of the  
274 court. The application shall be accompanied by a fee of thirty-five  
275 dollars payable to the clerk of the court for the administrative costs of

276 complying with the provisions of this section which fee may be  
 277 recoverable by the judgment creditor as a taxable cost of the action. In  
 278 a IV-D case, the request for execution shall be accompanied by an  
 279 affidavit signed by the serving officer attesting to an overdue support  
 280 amount of five hundred dollars or more which accrued after the entry  
 281 of an initial family support judgment. If the papers are in order, the  
 282 clerk shall issue such execution containing a direction that the officer  
 283 serving such execution shall, within seven days from the receipt by the  
 284 serving officer of such execution, make demand (1) upon the main  
 285 office of any financial institution having its main office within the  
 286 county of the serving officer, or (2) if such main office is not within the  
 287 serving officer's county and such financial institution has one or more  
 288 branch offices within such county, upon an employee of such a branch  
 289 office, such employee and branch office having been designated by the  
 290 financial institution in accordance with regulations adopted by the  
 291 Banking Commissioner, in accordance with chapter 54, for payment of  
 292 any such nonexempt debt due to the judgment debtor and, after  
 293 having made such demand, shall serve a true and attested copy of the  
 294 execution, together with the affidavit and exemption claim form  
 295 prescribed by subsection (k) of this section, with the serving officer's  
 296 actions endorsed thereon, with the financial institution officer upon  
 297 whom such demand is made. [If the officer serving such execution has  
 298 made an initial demand pursuant to this subsection within such seven-  
 299 day period, the serving officer may make additional demands upon  
 300 the main office of other financial institutions or employees of other  
 301 branch offices pursuant to subdivision (1) or (2) of this subsection] The  
 302 serving officer shall not serve more than one financial institution  
 303 execution per judgment debtor at a time, including copies thereof.  
 304 After service of an execution on one financial institution, the serving  
 305 officer shall not serve the same execution or a copy thereof on another  
 306 financial institution until after receiving confirmation from the  
 307 preceding financial institution that the judgment debtor had  
 308 insufficient funds at the preceding financial institution available for  
 309 collection to satisfy the execution, provided any such additional  
 310 [demand] service is made not later than forty-five days from the

311 receipt by the serving officer of such execution.

312 (c) If any such financial institution upon which such execution is  
313 served and upon which such demand is made is indebted to the  
314 judgment debtor, the financial institution shall remove from the  
315 judgment debtor's account the amount of such indebtedness not  
316 exceeding the amount due on such execution before its midnight  
317 deadline, as defined in section 42a-4-104. Notwithstanding the  
318 provisions of this subsection, if electronic direct deposits that are  
319 readily identifiable as exempt federal veterans' benefits, Social Security  
320 benefits, including, but not limited to, retirement, survivors' and  
321 disability benefits, supplemental security income benefits or child  
322 support payments processed and received pursuant to Title IV-D of  
323 the Social Security Act were made to the judgment debtor's account  
324 during the thirty-day period preceding the date that the execution was  
325 served on the financial institution, then the financial institution shall  
326 leave the lesser of the account balance or one thousand dollars in the  
327 judgment debtor's account, provided nothing in this subsection shall  
328 be construed to limit a financial institution's right or obligation to  
329 remove such funds from the judgment debtor's account if required by  
330 any other provision of law or by a court order. The judgment debtor  
331 shall have access to such funds left in the judgment debtor's account  
332 pursuant to this subsection. The financial institution may notify the  
333 judgment creditor that funds have been left in the judgment debtor's  
334 account pursuant to this subsection. Nothing in this subsection shall  
335 alter the exempt status of funds which are exempt from execution  
336 under subsection (a) of this section or under any other provision of  
337 state or federal law, or the right of a judgment debtor to claim such  
338 exemption. Nothing in this subsection shall be construed to affect any  
339 other rights or obligations of the financial institution with regard to the  
340 funds in the judgment debtor's account.

341 (d) If any funds are removed from the judgment debtor's account  
342 pursuant to subsection (c) of this section, upon receipt of the execution  
343 and exemption claim form from the serving officer, the financial

344 institution shall forthwith mail copies thereof, postage prepaid, to the  
 345 judgment debtor and to any secured party that is party to a control  
 346 agreement between the financial institution and such secured party  
 347 under article 9 of title 42a at the last known address of the judgment  
 348 debtor and of any such secured party with respect to the affected  
 349 accounts on the records of the financial institution. The financial  
 350 institution shall hold the amount removed from the judgment debtor's  
 351 account pursuant to subsection (c) of this section for fifteen days from  
 352 the date of the mailing to the judgment debtor and any such secured  
 353 party, and during such period shall not pay the serving officer.

354 (e) To prevent the financial institution from paying the serving  
 355 officer, as provided in subsection (h) of this section, the judgment  
 356 debtor shall give notice of a claim of exemption by delivering to the  
 357 financial institution, by mail or other means, the exemption claim form  
 358 or other written notice that an exemption is being claimed and any  
 359 such secured party shall give notice of its claim of a prior perfected  
 360 security interest in such deposit account by delivering to the financial  
 361 institution, by mail or other means, written notice thereof. The  
 362 financial institution may designate an address to which the notice of a  
 363 claim of exemption, or a secured party claim notice, shall be delivered.  
 364 Upon receipt of such notice, the financial institution shall, within two  
 365 business days, send a copy of such notice to the clerk of the court  
 366 which issued the execution.

367 (f) (1) Upon receipt of an exemption claim form or a secured party  
 368 claim notice, the clerk of the court shall enter the appearance of the  
 369 judgment debtor or such secured party with the address set forth in  
 370 the exemption claim form or secured party claim notice. The clerk shall  
 371 forthwith send file-stamped copies of the exemption claim form or  
 372 secured party claim notice to the judgment creditor and judgment  
 373 debtor with a notice stating that the disputed funds are being held for  
 374 forty-five days from the date the exemption claim form or secured  
 375 party claim notice was received by the financial institution or until a  
 376 court order is entered regarding the disposition of the funds,

377 whichever occurs earlier, and the clerk shall automatically schedule  
378 the matter for a short calendar hearing. The claim of exemption filed  
379 by such judgment debtor shall be prima facie evidence at such hearing  
380 of the existence of the exemption.

381 (2) Upon receipt of notice from the financial institution pursuant to  
382 subsection (c) of this section, a judgment creditor may, on an ex parte  
383 basis, present to a judge of the Superior Court an affidavit sworn  
384 under oath by a competent party demonstrating a reasonable belief  
385 that such judgment debtor's account contains funds which are not  
386 exempt from execution and the amount of such nonexempt funds.  
387 Such affidavit shall not be conclusory but is required to show the  
388 factual basis upon which the reasonable belief is based. If such judge  
389 finds that the judgment creditor has demonstrated a reasonable belief  
390 that such judgment debtor's account contains funds which are not  
391 exempt from execution, such judge shall authorize the judgment  
392 creditor to submit a written application to the clerk of the court for a  
393 hearing on the exempt status of funds left in the judgment debtor's  
394 account pursuant to subsection (c) of this section. The judgment  
395 creditor shall promptly send a copy of the application and the  
396 supporting affidavit to the judgment debtor and to any secured party  
397 shown on a secured party claim notice sent to the judgment creditor  
398 pursuant to subdivision (1) of this subsection. Upon receipt of such  
399 application, the clerk of the court shall automatically schedule the  
400 matter for a short calendar hearing and shall give written notice to the  
401 judgment creditor, the judgment debtor and any secured party shown  
402 on a secured party claim notice received by the clerk of the court. The  
403 notice to the judgment creditor pursuant to subsection (c) of this  
404 section shall be prima facie evidence at such hearing that the funds in  
405 the account are exempt funds. The burden of proof shall be upon the  
406 judgment creditor to establish the amount of funds which are not  
407 exempt.

408 (g) If an exemption claim is made or a secured party claim notice is  
409 given pursuant to subsection (e) of this section, the financial institution

410 shall continue to hold the amount removed from the judgment debtor's  
411 account for forty-five days or until a court order is received regarding  
412 disposition of the funds, whichever occurs earlier. If no such order is  
413 received within forty-five days of the date the financial institution  
414 sends a copy of the exemption claim form or notice of exemption or a  
415 secured party claim notice to the clerk of the court, the financial  
416 institution shall return the funds to the judgment debtor's account.

417 (h) If no claim of exemption or secured party claim notice is  
418 received by the financial institution within fifteen days of the mailing  
419 to the judgment debtor and any secured party of the execution and  
420 exemption claim form pursuant to subsection (d) of this section, the  
421 financial institution shall, upon demand, forthwith pay the serving  
422 officer the amount removed from the judgment debtor's account, and  
423 the serving officer shall thereupon pay such sum, less such serving  
424 officer's fees, to the judgment creditor, except to the extent otherwise  
425 ordered by a court.

426 (i) The court, after a hearing conducted pursuant to subsection (f) of  
427 this section, shall enter an order determining the issues raised by the  
428 claim of exemption and claim by a secured party of a prior perfected  
429 security interest in such deposit account. The clerk of the court shall  
430 forthwith send a copy of such order to the financial institution. Such  
431 order shall be deemed to be a final judgment for the purposes of  
432 appeal. No appeal shall be taken except within seven days of the  
433 rendering of the order. The order of the court may be implemented  
434 during such seven-day period, unless stayed by the court.

435 (j) If both exempt and nonexempt moneys have been deposited into  
436 an account, for the purposes of determining which moneys are exempt  
437 under this section, the moneys most recently deposited as of the time  
438 the execution is served shall be deemed to be the moneys remaining in  
439 the account.

440 (k) The execution, exemption claim form and clerk's notice  
441 regarding the filing of a claim of exemption shall be in such form as

442 prescribed by the judges of the Superior Court or their designee. The  
443 exemption claim form shall be dated and include a checklist and  
444 description of the most common exemptions, instructions on the  
445 manner of claiming the exemptions and a space for the judgment  
446 debtor to certify those exemptions claimed under penalty of false  
447 statement.

448 (l) If records or testimony are subpoenaed from a financial  
449 institution in connection with a hearing conducted pursuant to  
450 subsection (f) of this section, the reasonable costs and expenses of the  
451 financial institution in complying with the subpoena shall be  
452 recoverable by the financial institution from the party requiring such  
453 records or testimony, provided, the financial institution shall be under  
454 no obligation to attempt to obtain records or documentation relating to  
455 the account executed against which are held by any other financial  
456 institution. The records of a financial institution as to the dates and  
457 amounts of deposits into an account in the financial institution shall, if  
458 certified as true and accurate by an officer of the financial institution,  
459 be admissible as evidence without the presence of the officer in any  
460 hearing conducted pursuant to subsection (f) of this section to  
461 determine the legitimacy of a claim of exemption made under this  
462 section.

463 (m) [If there are moneys to be removed from the judgment debtor's  
464 account, prior to the removal of such moneys pursuant to subsection  
465 (c) of this section, the] The financial institution shall receive from the  
466 serving officer as representative of the judgment creditor a fee of eight  
467 dollars for the financial institution's costs in complying with the  
468 provisions of this section which fee (1) may be recoverable by the  
469 judgment creditor as a taxable cost of the action, and (2) shall be  
470 tendered to the financial institution at the time of service.

471 (n) If the financial institution fails or refuses to pay over to the  
472 serving officer the amount of such debt, not exceeding the amount due  
473 on such execution, such financial institution shall be liable in an action  
474 therefor to the judgment creditor named in such execution for the

475 amount of nonexempt moneys which the financial institution failed or  
476 refused to pay over, excluding funds of up to one thousand dollars  
477 which the financial institution in good faith allowed the judgment  
478 debtor to access pursuant to subsection (c) of this section. The amount  
479 so recovered by such judgment creditor shall be applied toward the  
480 payment of the amount due on such execution. Thereupon, the rights  
481 of the financial institution shall be subrogated to the rights of the  
482 judgment creditor. If such financial institution pays exempt moneys  
483 from the account of the judgment debtor over to the serving officer  
484 contrary to the provisions of this section, such financial institution  
485 shall be liable in an action therefor to the judgment debtor for any  
486 exempt moneys so paid and such financial institution shall refund or  
487 waive any charges or fees by the financial institution, including, but  
488 not limited to, dishonored check fees, overdraft fees or minimum  
489 balance service charges and legal process fees, which were assessed as  
490 a result of such payment of exempt moneys. Thereupon, the rights of  
491 the financial institution shall be subrogated to the rights of the  
492 judgment debtor.

493 (o) Except as provided in subsection (n) of this section, no financial  
494 institution or any officer, director or employee of such financial  
495 institution shall be liable to any person with respect to any act done or  
496 omitted in good faith or through the commission of a bona fide error  
497 that occurred despite reasonable procedures maintained by the  
498 financial institution to prevent such errors in complying with the  
499 provisions of this section.

500 (p) Nothing in this section shall in any way restrict the rights and  
501 remedies otherwise available to a judgment debtor or any such secured  
502 party at law or in equity.

503 (q) Nothing in this section shall in any way affect any rights of the  
504 financial institution with respect to uncollected funds credited to the  
505 account of the judgment debtor, which rights shall be superior to those  
506 of the judgment creditor.



507 (r) For the purposes of this subsection, "exempt" shall have the same  
 508 meaning as provided in subsection (c) of section 52-352a. Funds  
 509 deposited in an account that has been established for the express  
 510 purpose of receiving electronic direct deposits of public assistance or  
 511 of Title IV-D child support payments from the Department of Social  
 512 Services shall be exempt.

513 Sec. 4. (*Effective from passage*) Not later than July 1, 2007, the Law  
 514 Revision Commission shall commission a task force to study the  
 515 feasibility of permitting the service of alias tax warrants and other  
 516 forms of execution on financial institutions by electronic means. The  
 517 task force shall be comprised of representatives from the banking  
 518 industry, municipal governments, persons representing the interests of  
 519 debtors and other interested parties.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	12-162
Sec. 2	<i>October 1, 2007</i>	52-367a
Sec. 3	<i>October 1, 2007</i>	52-367b
Sec. 4	<i>from passage</i>	New section

***BA***

***Joint Favorable C/R***

**JUD**